

Voluntary - Public

Date: 7/22/2009

GAIN Report Number: IN9097

India

Post: New Delhi

Monsoon Report (4)

Report Categories:

Agricultural Situation

Approved By:

Holly Higgins

Prepared By:

A. Govindan

Report Highlights:

Recent monsoon activity remained mainly confined to peninsular and central India, with most northern and northeastern states receiving significantly below-normal rainfall. Official data show that progressive planting of most *kharif* (fall and early winter-harvested) crops, particularly rice, up to July 17 this year was still lagging behind last year's level.

General Information:

Although there was a further improvement in the rainfall situation during the first half of July, recent monsoon activity remained mainly confined to peninsular and central India, with most northern and northeastern states receiving significantly below-normal rainfall. Furthermore, heavy rains along the western coastal states of Kerala, Karnataka, Maharashtra and Gujarat and Orissa on the east coast caused floods further impacting agricultural operations.

Rainfall during the week of July 15 was normal or above normal in 18 of the 36 weather subdivisions compared with 21 the previous week and 19 during the corresponding week a year ago, with the area weighted rainfall for the country 6 percent above the long-term average (Figure 1 in the attachment). However, most of the rainfall was confined to the lower

half of the country (Figure 2 in the attachment), with the major rice growing Gangetic plains receiving 23 to 85 percent below normal rains.

Cumulative rainfall during June 1 to July 15 was normal or above normal in 14 of the 36 weather subdivisions compared with 11 during the previous week, with the area weighted cumulative rainfall deficiency improving to 27 percent below normal from the previous week's 36 percent below normal (Figure 1 in the attachment). However, the cumulative rainfall deficiency in the Gangetic plain ranged from 24 to 63 percent below normal.

Although planting operations have picked up following good rains in some parts of the country during the week of July 15, official data show that progressive planting of most kharif (fall and early winter-harvested) crops up to July 17 this year was still lagging behind last year's level, with the exception of cotton and sunflower (Table 1).

Table 1: Progressive Planting of Major Kharif Season Crops On July 17, 2009

	Progressive Planting (Million Ha)		Percent Change
	2009	2008	
Rice	11.46	14.52	-21.1
Sorghum	1.66	1.72	-3.5
Millet	3.47	4.60	-24.6
Corn	4.62	4.74	-2.5
Pulses	3.84	4.07	-5.7
Peanut	2.57	2.76	-6.9
Soybean	7.14	7.24	-1.4
Sunflower	0.35	0.14	+150.0
Cotton	6.89	6.17	+11.7
Sugarcane	4.25	4.38	-3.0

A comparison of the rainfall pattern this year with historical data shows that the situation is somewhat similar to 2002 when rainfall deficiency during June 1 to July 17 was 27 percent below normal. Although the rainfall situation improved considerably during the second half of the monsoon season in 2002, crop loss was significant, with rice production declining by 21.5 million tons, coarse grain production by 7 million tons, and oilseed production by around 6 million tons from the previous year's levels. Although the geographical distribution of rainfall deficiency this year is somewhat different from 2002, there is likely to be a significant decline in rice production this year, particularly in the states of Uttar Pradesh, Bihar, Punjab, Haryana, West Bengal, and Assam. Coarse grain production, particularly bajra (pearl millet), which are largely non-irrigated crops grown in north, west and central India, is also likely to be affected by poor monsoon rains in the region. Other crops likely to be affected by this year's poor rainfall in varying degree are peanut, soybeans, and sugarcane. As the window of opportunity

for planting traditional crops such as rice will be over soon, farmers will start shifting to less irrigation intensive short duration pulses and coarse grains.

The GOI Agriculture Minister has confirmed in the Parliament that the country is facing a drought-like situation that will hit agricultural production. He said the government will soon send official teams to assess the situation and provide assistance. Despite a likely significant decline in rice production this year, the overall supply situation for staple grains would remain comfortable following record procurement of wheat (25.1 million tons) and rice (31.6 million tons) by the government from a record 2008/09 crop, resulting in a large build up of government-held stocks.